

# HOUSE . . . . . No. 2972

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## The Commonwealth of Massachusetts

PRESENTED BY:

**Antonio F.D. Cabral**

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to the Massachusetts Revenues and Expenditures Transparency Act.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Antonio F.D. Cabral	13th Bristol
James B. Eldridge	Middlesex and Worcester
Steven J. D'Amico	4th Bristol
David B. Sullivan	6th Bristol
Carl M. Sciortino, Jr.	34th Middlesex
Martha M. Walz	8th Suffolk
Rosemary Sandlin	3rd Hampden
Kay Khan	11th Middlesex
Mary E. Grant	6th Essex
Denise Provost	27th Middlesex
Barbara A. L'Italien	18th Essex
John W. Scibak	2nd Hampshire
David P. Linsky	5th Middlesex
Jason Lewis	31st Middlesex
Frank I. Smizik	15th Norfolk
Ruth B. Balser	12th Middlesex
Kate Hogan	3rd Middlesex
Robert L. Rice, Jr.	2nd Worcester
Bradley H. Jones, Jr.	20th Middlesex

John F. Quinn	9th Bristol
Peter v. Kocot	1st Hampshire
Jonathan Hecht	29th Middlesex
Carolyn Dykema	8th Middlesex
Ellen Story	3rd Hampshire
James J. O'Day	14th Worcester District
Geraldine Creedon	11th Plymouth
Lori Ehrlich	8th Essex
Richard J. Ross	9th Norfolk
Joan M. Menard	First Bristol and Plymouth
Jennifer L. Flanagan	Worcester and Middlesex
Bruce E. Tarr	First Essex and Middlesex
Scott P. Brown	Norfolk, Bristol and Middlesex
Anthony D. Galluccio	Middlesex, Suffolk and Essex
Jay R. Kaufman	15th Middlesex
Mark C. Montigny	Second Bristol and Plymouth
Cory Atkins	14th Middlesex
Thomas M. Stanley	9th Middlesex

# The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

## AN ACT RELATIVE TO THE MASSACHUSETTS REVENUES AND EXPENDITURES TRANSPARENCY ACT.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority  
of the same, as follows:*

### **Massachusetts Revenues and Expenditures Transparency Act**

(1) As used in this section the following terms shall have the following meanings:

“Secretary”, the Secretary of the Executive Office for Administration and Finance.

"Searchable budget database website" means a website that allows the public at no cost to search for, obtain, and aggregate the information identified in subsection (2).

"Entity/and or recipients" means: any corporation, association, limited liability company, limited liability partnership, or any other legal business entity. It shall also include any grantee or subgrantee, contractor or subcontractor, county, city or other local government entity. It shall not include any individual recipient of state assistance.

"Agency" means any state department, office, board commission, bureau, division, institution, or institution of higher education. "Agency" specifically includes any authority created by an act of the Massachusetts Legislature, including those authorities not receiving state tax revenue. This includes individual state agencies and programs, as well as those programs and activities that cross agency lines, and also includes all elective offices in the Executive Branch of government and the Legislature

"Funding source" means the state account the expenditure is appropriated from.

"Funding action or expenditure" shall include details on the type of spending, both appropriated expenditures (such as grants, contracts, and appropriations) and tax expenditures (such as tax exemptions, waivers, and credits). This specifically includes all corporate subsidies, including tax exemptions, credits, direct grants, or infrastructure assistance. Where possible, a hyperlink to the actual grants or contracts shall be provided.

"Expected outcome" includes, in relation to corporate subsidies (including tax exemptions, credits, direct grants, or infrastructure assistance), the number and quality of jobs to be created or retained, including wages and benefits, the date the job goals will be reached, the estimated increase to the state tax base, and whether the funded project involves the relocation of jobs and if so how many and from where.

"Final outcome" includes, in relation to corporate subsidies (including tax exemptions, credits, direct grants, or infrastructure assistance), the number and quality of jobs actually created or retained, including wages and benefits, and the actual increase to the state tax base for the fiscal year in which benefit was given; the outcomes achieved shall also include any money recaptured from corporate subsidy recipients for failure to meet expected performance outcomes.

"State audit or report" shall include any audit or report issued by the Inspector General, State Auditor, legislative auditor, legislative committee, or executive body relating to the past or current performance of the entity or recipient of funds or the budget program/activity or agency which the Secretary deems as relevant.

(2) Not later than January 1, 2011 the Secretary shall develop, operate a single, searchable budget database website accessible by the public at no cost, that includes:

(a) Annual state expenditures or funding actions provided to any entity, recipient or agency, as determined by the Secretary including the name and location of any such entity, recipient or agency, the funding source, the amount of funds appropriated including tax expenditures or other subsidies, the funding agency or authority, and a description of the purpose of the funding action or expenditure. If the funding action or expenditure is a tax expenditure, information about the expected outcome of such tax expenditure shall be included and information concerning the final outcome shall be provided within 30 days from when it is reported to the appropriate state agency;

(b) Bond debt payments and debt service including, but not limited to, amounts of bond interest paid and sources of funds paid for individual bond issues;

(c ) Local aid to cities and towns including, but not limited to, amounts paid to individual units of government for individually identifiable aid programs;

(d) Annual revenues, as determined by the Secretary which shall include, but not be limited to:

(i) receipts or deposits by any agency into funds established within the state treasury;

(ii) tax revenue received ;

(iii) agency earnings including, but not limited to, amounts collected by each agency for merchandise sold, services performed, licenses and permits issued, or regulation;

(iv) revenue for the use of money and property including, but not limited to, amounts received for compensation for the use of state-owned money and property;

(v) gifts, donations and federal grants including, but not limited to, amounts received from public and private entities to aid in support of a specific function or other governmental activity;

(vi) other revenue including, but not limited to, receipts not classified elsewhere; and

(e) Annual bonded indebtedness which shall include, but not be limited to, the amount of the total original obligation stated in terms of principal and interest, the term of the obligation, the source of funding for repayment of the obligation, the amounts of principal and interest previously paid to reduce the obligation, the balance remaining of the obligation, any refinancing of the obligation, and the cited statutory authority to issue such bonds.

(f) A link to any state audit or report.

(g) Any other relevant information specified by the secretary.

(3) The searchable budget database website shall retain information for each fiscal year on the single website for not less than 10 years and shall include data for the most recent fiscal years.

(4) The Secretary shall update the searchable budget database website as new data becomes available. All agencies shall provide to the Secretary all data that is required to be included in the searchable budget database website not later than 30 days after the data becomes available to the agency. The Secretary shall provide guidance to agency heads to ensure compliance with this section.

(5) Nothing in this act shall permit or require the listing of individual businesses' tax liability, profits, sales or losses.

(6) The Secretary shall not be considered in compliance with this act if the data required for the searchable budget database website is not available in a searchable and aggregate manner or if the public is redirected by the searchable budget database website to other government websites, unless each of those websites complies with the requirements of this Act.